

76 02651
series B

OFFICIAL STATEMENT

City of IRVINE



no slip

Recreational Development Bonds, Series B

\$9,000,000

(General Obligations)

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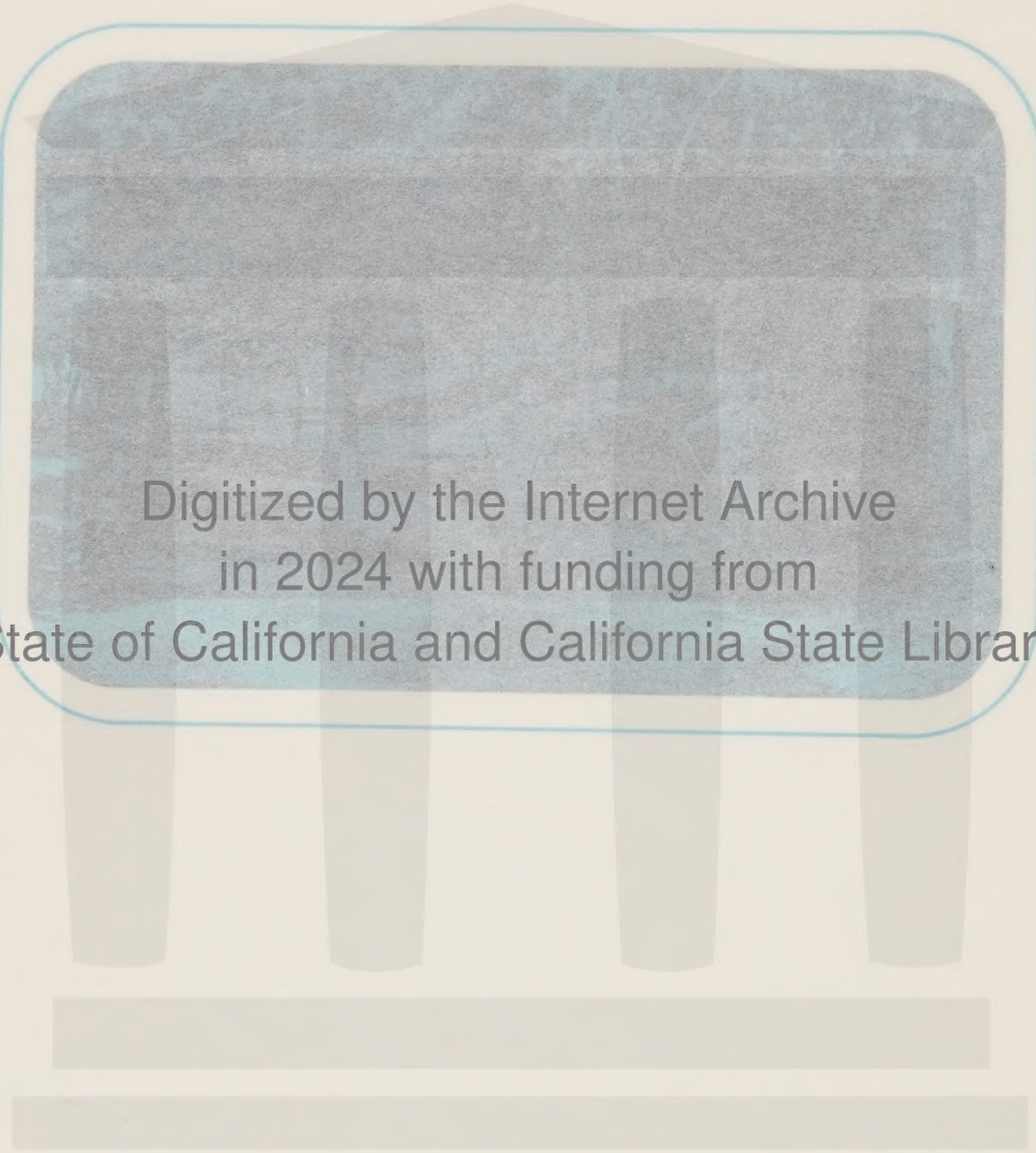






City of IRVINE
Recreational Development Bonds, Series B
\$9,000,000
(General Obligations)





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City of IRVINE
Recreational Development Bonds, Series B
\$9,000,000
(General Obligations)





CITY OF IRVINE

Orange County, California

City Council

Arthur Anthony, *Mayor*
Henry Quigley, *Mayor Pro Tem*
John H. Burton
Gabrielle Pryor
Robert West

Community Services Commission

Sally Anne Miller, *Chairperson*
Diane Kent
Dr. Alan Miller
Scott Mulholland
Miles Peterson

City Staff

William Woollett, Jr., *City Manager*
James R. Harrington, *Director of Administrative Services*
Paul Brady, Jr., *Director of Community Services*
Eddie Peabody, Jr., *Director of Planning*
G. Brent Muchow, *Director of Public Works*
Leo E. Peart, *Director of Public Safety*
J. E. Witcher, *Treasurer and Finance Officer*
Carol J. Flynn, *City Clerk*

Special Services

Rutan & Tucker, Santa Ana, California
Bond Counsel

Hornblower & Weeks-Hemphill, Noyes Incorporated,
San Francisco, California
Financing Consultants

Bank of America N.T. & S.A.
San Francisco and Los Angeles, California
Harris Trust and Savings Bank
Chicago, Illinois
Bankers Trust Company
New York, New York
Paying Agents

The information contained within this official statement was prepared under the direction of the City Council of the City of Irvine by Hornblower & Weeks-Hemphill, Noyes Incorporated, who were employed by the City as financing consultants in connection with the proposed bond issue.

The information contained within this official statement has been compiled from sources believed to be reliable. This official statement contains estimates and matters of opinion which are not intended as representations of fact. This official statement is not to be construed as a contract with the purchasers of the bonds.

THE DATE OF THIS OFFICIAL STATEMENT IS
DECEMBER 23, 1975.

76 02657
Series B

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UNIVERSITY OF CALIFORNIA



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Sketches courtesy of Ribera & Sue.

INTRODUCTION

The \$9,000,000 principal amount of City of Irvine Recreational Development Bonds, Series B, are being sold to finance acquisition and development of community level parks in the city and a bicycle trail system. The Series B Bonds represent the remaining unsold bonds of a total authorization of \$16,000,000 which the voters approved for community parks acquisition and development, and \$2,000,000 which they approved for the bicycle trail system. Series A Bonds in the principal amount of \$9,000,000 were sold in January 1975.

The City of Irvine was incorporated on December 28, 1971. The city has a land area of 41.6 square miles and a population estimated at 35,000. The city's 1975/76 assessed valuation is \$329,348,740.

After sale of the Series B Bonds, direct debt of the city will be 5.47% of assessed valuation and 1.45% of estimated market value. Total direct debt and overlapping bonded debt will be 22.56% of assessed valuation and 5.97% of estimated market value. The city's per capita assessed valuation is \$9,410.

ESSENTIAL FACTS

The Bonds

| | |
|--------------------------------------|----------------|
| Principal amount | \$9,000,000 |
| Maturities (Schedule 1) | 1978 to 2002 |
| Average life (Schedule 1) | 15.65 years |
| Bond years (Schedule 1) | 156,470 |
| Maturities (Schedule 2) | 1978 to 1997 |
| Average life (Schedule 2) | 12.32 years |
| Bond years (Schedule 2) | 123,220 |
| Maturities callable on or after 1985 | 1991 and after |
| Maximum coupon rate | 7% |
| Maximum spread | 2% |

Financial and Economic Data

| | |
|---|---------------|
| Estimated 1975 population | 35,000 |
| 1975/76 Assessed valuation | \$329,348,740 |
| City tax rate per \$100 | \$0.62 |
| Representative total tax rate per \$100 | \$12.16 |
| Per capita assessed valuation | \$9,410 |
| Ratio direct debt to assessed valuation | 5.47% |
| Ratio net direct and overlapping debt to assessed valuation | 22.56% |

MATURITY SCHEDULE 1

| <i>Maturity Date January 1</i> | <i>Principal Maturing</i> |
|------------------------------------|-------------------------------|
| 1978 | \$140,000 |
| 1979 | 150,000 |
| 1980 | 160,000 |
| 1981 | 170,000 |
| 1982 | 190,000 |
| 1983 | 200,000 |
| 1984 | 210,000 |
| 1985 | 230,000 |
| 1986 | 240,000 |
| 1987 | 260,000 |
| 1988 | 280,000 |
| 1989 | 300,000 |
| 1990 | 320,000 |
| 1991 | 340,000 |
| 1992 | 370,000 |
| 1993 | 400,000 |
| 1994 | 420,000 |
| 1995 | 450,000 |
| 1996 | 480,000 |
| 1997 | 520,000 |
| 1998 | 550,000 |
| 1999 | 590,000 |
| 2000 | 630,000 |
| 2001 | 680,000 |
| 2002 | 720,000 |

MATURITY SCHEDULE 2

| <i>Maturity Date January 1</i> | <i>Principal Maturing</i> |
|------------------------------------|-------------------------------|
| 1978 | \$220,000 |
| 1979 | 240,000 |
| 1980 | 250,000 |
| 1981 | 260,000 |
| 1982 | 290,000 |
| 1983 | 310,000 |
| 1984 | 330,000 |
| 1985 | 350,000 |
| 1986 | 380,000 |
| 1987 | 400,000 |
| 1988 | 430,000 |
| 1989 | 460,000 |
| 1990 | 490,000 |
| 1991 | 530,000 |
| 1992 | 570,000 |
| 1993 | 600,000 |
| 1994 | 650,000 |
| 1995 | 700,000 |
| 1996 | 750,000 |
| 1997 | 790,000 |

THE BONDS

Authority for Issuance

The \$9,000,000 principal amount of the City of Irvine Recreational Development Bonds, Series B, now being offered, are general obligations of the City of Irvine, issued pursuant to a resolution adopted by the City Council on December 23, 1975.

On June 4, 1974 the voters of the City of Irvine authorized \$16,000,000 of general obligation bonds for recreation and park purposes, and \$2,000,000 of general obligation bonds for bicycle trails. The bonds were approved by a vote of 5331 in favor (73%) to 1958 opposed, and the bicycle trail bonds were approved by a vote of 5007 in favor (71%) to 2023 opposed. Of the \$9,000,000 of Series B Bonds, \$8,000,000 will be from the \$16,000,000 authorization for recreation and park purposes, and \$1,000,000 will be from the \$2,000,000 authorization for bicycle trails. \$9,000,000 of Series A Bonds were sold in January 1975 with \$8,000,000 allocated to recreation and park purposes and \$1,000,000 to bicycle trails.

Description of the Bonds

The Series B Bonds consist of \$9,000,000 aggregate principal amount, dated January 1, 1976. The bonds will be issued in denominations of \$5,000 and will be numbered consecutively from B-1 to B-1800. Interest on the bonds at a rate not to exceed seven percent (7%) per annum is payable for the first year on January 1, 1977 and semi-annually thereafter each July 1 and January 1. Both principal and interest on the bonds are payable at the main offices of the paying agents of the city: Bank of America N.T. & S.A. in Los Angeles and San Francisco, California; Bankers Trust Company, New York, New York; and Harris Trust and Savings Bank, Chicago, Illinois.

Alternative Maturity Schedules

Prospective purchasers have the option of bidding on one of two alternative maturity schedules. Maturity Schedule 1 provides for the bonds to mature by January 1, 2002, and Maturity Schedule 2 provides for the bonds to mature by January 1, 1997. The City Council will award the bonds based upon the lowest net interest cost bid on Maturity Schedule 1. Bids which specify Maturity Schedule 2 will be considered only in the event no bids are received which specify Maturity Schedule 1.

Redemption Provisions

The City of Irvine Recreational Development Bonds, Series B, maturing on or before January 1, 1990, are not redeemable prior to their fixed maturity dates. Bonds maturing on or after January 1, 1991, are redeemable on January 1, 1985 or on any interest payment date thereafter, as a whole or in part in inverse order of maturity and by lot within a maturity, at the principal amount plus a premium of (a) one-fourth of one percent, plus (b) an additional one-fourth of one percent for each whole year and for any remaining fraction of a year between the maturity date and the date of redemption, but in no event shall the premium exceed four percent. The city will publish a notice of intended redemption at least thirty days before any bonds are to be called. Copies of the notice of redemption are to be mailed to the holders of any registered bonds designated for redemption.

Registration

The bonds will be issued as coupon bonds or fully registered bonds. The fully registered bonds will be subject to deregistration and reregistration as provided in the resolution authorizing the issuance of the bonds.

Tax Exempt Status

In the opinion of bond counsel, the interest on the bonds is exempt from all present federal income taxes and from State of California personal income taxes, under existing statutes, regulations and court decisions.

Legal Opinion

All proceedings in connection with the issuance of these bonds are subject to the approval of Rutan & Tucker, Santa Ana, California, bond counsel for the City of Irvine. The unqualified opinion of Rutan & Tucker attesting to the validity of the bonds will be supplied free of charge to the original purchasers of the bonds. A copy of the legal opinion, certified by an officer of the city, will be printed on each bond without charge to the successful bidder.

Security

The bonds are general obligations of the City of Irvine and the city has the power and is obligated to cause annual ad valorem taxes to be levied on all property in the city subject to taxation by the city for the payment of both principal of and interest on the bonds without limitation of rate or amount.

Legality for Investment

Pursuant to the provisions of the Financial Code of the State of California, the bonds are legal investments in the State of California for savings banks and as such are legal investments for all trust funds, for funds of insurance companies, and for funds of trust companies. The bonds are eligible as security for deposits of public moneys of local agencies in California.

Annual Bond Service

Table 1 illustrates maximum annual bond service under Maturity Schedule 1 at the maximum legal interest rate of seven percent. Table 2 illustrates maximum annual bond service pursuant to Maturity Schedule 2.

TABLE 1
MAXIMUM DEBT SERVICE FOR SERIES B BONDS UNDER SCHEDULE 1

| Fiscal Year | Principal Outstanding Beginning of Year | Maximum Interest at 7% | | Principal Maturing January 1 | Total Bond Service |
|-------------|---|------------------------|-------------|------------------------------|--------------------|
| | | July 1 | January 1 | | |
| 1976/77 | \$9,000,000 | \$ — | \$ 630,000 | \$ — | \$ 630,000 |
| 1977/78 | 9,000,000 | 315,000 | 315,000 | 140,000 | 770,000 |
| 1978/79 | 8,860,000 | 310,100 | 310,100 | 150,000 | 770,200 |
| 1979/80 | 8,710,000 | 304,850 | 304,850 | 160,000 | 769,700 |
| 1980/81 | 8,550,000 | 299,250 | 299,250 | 170,000 | 768,500 |
| 1981/82 | 8,380,000 | 293,300 | 293,300 | 190,000 | 776,600 |
| 1982/83 | 8,190,000 | 286,650 | 286,650 | 200,000 | 773,300 |
| 1983/84 | 7,990,000 | 279,650 | 279,650 | 210,000 | 769,300 |
| 1984/85 | 7,780,000 | 272,300 | 272,300 | 230,000 | 774,600 |
| 1985/86 | 7,550,000 | 264,250 | 264,250 | 240,000 | 768,500 |
| 1986/87 | 7,310,000 | 255,850 | 255,850 | 260,000 | 771,700 |
| 1987/88 | 7,050,000 | 246,750 | 246,750 | 280,000 | 773,500 |
| 1988/89 | 6,770,000 | 236,950 | 236,950 | 300,000 | 773,900 |
| 1989/90 | 6,470,000 | 226,450 | 226,450 | 320,000 | 772,900 |
| 1990/91 | 6,150,000 | 215,250 | 215,250 | 340,000* | 770,500 |
| 1991/92 | 5,810,000 | 203,350 | 203,350 | 370,000* | 776,700 |
| 1992/93 | 5,440,000 | 190,400 | 190,400 | 400,000* | 780,800 |
| 1993/94 | 5,040,000 | 176,400 | 176,400 | 420,000* | 772,800 |
| 1994/95 | 4,620,000 | 161,700 | 161,700 | 450,000* | 773,400 |
| 1995/96 | 4,170,000 | 145,950 | 145,950 | 480,000* | 771,900 |
| 1996/97 | 3,690,000 | 129,150 | 129,150 | 520,000* | 778,300 |
| 1997/98 | 3,170,000 | 110,950 | 110,950 | 550,000* | 771,900 |
| 1998/99 | 2,620,000 | 91,700 | 91,700 | 590,000* | 773,400 |
| 1999/00 | 2,030,000 | 71,050 | 71,050 | 630,000* | 772,100 |
| 2000/01 | 1,400,000 | 49,000 | 49,000 | 680,000* | 778,000 |
| 2001/02 | 720,000 | 25,200 | 25,200 | 720,000* | 770,400 |
| Totals | | \$5,161,450 | \$5,791,450 | \$9,000,000 | \$19,952,900 |

* Callable on or after January 1, 1985.

TABLE 2
MAXIMUM DEBT SERVICE FOR SERIES B BONDS UNDER SCHEDULE 2

| Fiscal Year | Principal Outstanding Beginning of Year | Maximum Interest at 7% | | Principal Maturing January 1 | Total Bond Service |
|-------------|---|------------------------|-------------|------------------------------|--------------------|
| | | July 1 | January 1 | | |
| 1976/77 | \$9,000,000 | \$ — | \$ 630,000 | \$ — | \$ 630,000 |
| 1977/78 | 9,000,000 | 315,000 | 315,000 | 220,000 | 850,000 |
| 1978/79 | 8,780,000 | 307,300 | 307,300 | 240,000 | 854,600 |
| 1979/80 | 8,540,000 | 298,900 | 298,900 | 250,000 | 847,800 |
| 1980/81 | 8,290,000 | 290,150 | 290,150 | 260,000 | 840,300 |
| 1981/82 | 8,030,000 | 281,050 | 281,050 | 290,000 | 852,100 |
| 1982/83 | 7,740,000 | 270,900 | 270,900 | 310,000 | 851,800 |
| 1983/84 | 7,430,000 | 260,050 | 260,050 | 330,000 | 850,100 |
| 1984/85 | 7,100,000 | 248,500 | 248,500 | 350,000 | 847,000 |
| 1985/86 | 6,750,000 | 236,250 | 236,250 | 380,000 | 852,500 |
| 1986/87 | 6,370,000 | 222,950 | 222,950 | 400,000 | 845,900 |
| 1987/88 | 5,970,000 | 208,950 | 208,950 | 430,000 | 847,900 |
| 1988/89 | 5,540,000 | 193,900 | 193,900 | 460,000 | 847,800 |
| 1989/90 | 5,080,000 | 177,800 | 177,800 | 490,000 | 845,600 |
| 1990/91 | 4,590,000 | 160,650 | 160,650 | 530,000* | 851,300 |
| 1991/92 | 4,060,000 | 142,100 | 142,100 | 570,000* | 854,200 |
| 1992/93 | 3,490,000 | 122,150 | 122,150 | 600,000* | 844,300 |
| 1993/94 | 2,890,000 | 101,150 | 101,150 | 650,000* | 852,300 |
| 1994/95 | 2,240,000 | 78,400 | 78,400 | 700,000* | 856,800 |
| 1995/96 | 1,540,000 | 53,900 | 53,900 | 750,000* | 857,800 |
| 1996/97 | 790,000 | 27,650 | 27,650 | 790,000* | 845,300 |
| Totals | | \$3,997,700 | \$4,627,700 | \$9,000,000 | \$17,625,400 |

* Callable on or after January 1, 1985.

THE PROJECT

General

One of the main reasons for incorporation of the City of Irvine was to preserve suitable open space and guarantee a comprehensive recreation and parks program. After incorporation the City Council engaged the firm of Ribera & Sue, landscape architects and comprehensive planners, to develop a master plan for community level parks, recreation, and cultural facilities to serve the city through the year 1985. In January, 1974 the firm submitted to the City Council the plan which recommended a city wide acquisition and development program. The Council adopted the plan and submitted an \$18 million bond program to implement it to the voters in June, 1974. The bonds were approved by more than 70% of the voters and the city immediately began negotiations for land acquisition.

The city presently has 61 acres of public parks and 110 acres in private parks. The city has established a policy that neighborhood parks are to be provided and improved by the developer, and the Recreational Development Bonds do not contain any funds for neighborhood parks. The bonds are designed to finance community parks only, and it is city policy to locate such parks adjacent

to schools and other community facilities so as to maximize the use of all public lands in the city.

The policy of the city with regard to the bicycle trails system is to provide accesses from residential areas to the parks, to commercial centers, schools, and industrial areas. The bicycle program is more than just a recreational program, and it is planned to provide an alternative form of transportation both within and without the city. In addition to a bicycle network tying schools, commercial areas, and industrial areas together,

the trails will connect to a regional bicycle trail system developed in cooperation with Orange County and the surrounding cities. Freeway overpasses will be provided, and it will be possible for Irvine residents to utilize bicycle transportation to and from various points on the Pacific Ocean without hazard from automobile traffic.

The \$16,000,000 Community Parks Land Acquisition and Development program will be designed to provide a minimum standard in the community parks system of 1.5 acres per 1,000 of population. Whenever possible the parks will be at least 20 acres in size and will be so located to achieve geographic distribution related to existing and anticipated development with good vehicular access and propinquity to public transit.



The Series A Bond Project

In January 1975, the city sold \$9,000,000 in Series A Bonds. With bond proceeds, the city acquired four sites and is developing three park projects. Under development is the 19 acre Harvard Community Ball Park, a major athletic complex with softball, baseball, football, soccer and rugby fields, a multi-use recreational building and group picnic facilities.

University Community Park, a 15 acre area adjacent to an existing elementary school and 10,000 square foot library, is under construction. Bond proceeds are developing four lighted tennis courts, a multi-use recreation building, nature study area, "adventure playground", athletic field and handball courts.

Also under development is the first phase of the 45 acre Heritage Park. This facility will be jointly used with the 40 acre high school (also under construction). This major facility will bring to the community an 11,000 square foot youth services building, a three pool aquatics complex, 12 tennis courts, field sports, open play area, major tot lots, lagoon, picnic centers, a regional library, arts and crafts center, a multi-use building and historical center.

The city, in addition to acquiring and developing the aforementioned projects, acquired a 20 acre park site (Bryan Avenue). This site will be developed at a subsequent date.

The Series B Bond Project

The city is now prepared to proceed with land acquisition of four additional park sites and development of four sites from Series B Bond proceeds. The 21 acre Turtle Rock Community Park will be acquired and developed, with improvements to include grading, drainage, lighting, landscaping and irrigation. Special features include a major multi-use building, tennis courts, group picnic center, athletic fields, an open space play area and a nature study center.

Also to be acquired and developed will be land for a 600 seat performing arts

theater within the core of the University Town Center. The theater will relate to the University of California at Irvine and commercial activities (restaurants, shops, plazas, etc.).

Other improvements are planned on the Deerfield Community Park, a 13 acre site adjacent to two school facilities (intermediate and elementary). Improvements envisioned include basic site preparation, lighting, landscape, and irrigation. Special features include tennis courts, athletic fields, a multi-use building, group picnic center and major tot lot facilities.

The city will begin its second phase development of the 45 acre Heritage Park. Improvements include the arts and crafts center, a multi-use building and historical center.

In addition to the foregoing, bond proceeds will be used to acquire two

30 acre parcels within the developing Woodbridge project. The development of the two Woodbridge park sites will occur from proceeds of a subsequent bond sale.

From bond proceeds, \$1,000,000 will be used for bicycle trails. A small amount will be spent for land acquisition, but primarily funds will be used to develop the next phase of trails, overpasses, and landscaping.

TABLE 3
DISPOSITION OF BOND
PROCEEDS

| | |
|-------------------|-------------|
| Land acquisition | \$4,670,000 |
| Development costs | 3,330,000 |
| Bicycle trails | 1,000,000 |
| Total | \$9,000,000 |



Bicycle and hiking trail in University Park community. This is an example of the type facility to be developed under the bicycle trail bond program.

CITY ORGANIZATION AND FINANCIAL DATA

City Organization

The City of Irvine is a charter city which operates under the council-manager form of government. The city council is composed of five members elected at large for four-year overlapping terms. The mayor is selected by the council from among its members.

The city's administrative staff is organized into five functional areas: community services, planning, public safety, public works, and administrative services. Approximately 115 people are employed by the city.

Financial Data

The city's assessed valuation is established by the Orange County Assessor except for the assessed valuation of public utility property which is assessed by the State Board of Equalization at 25% of full value. The State Board of Equalization reports that 1975/76 Orange County assessed valuations average 26.5% of full value.

The city's assessed valuation has increased from \$131,787,951 in 1972/73 (the fiscal year following city incorporation) to \$329,348,740 in 1975/76. A breakdown of the 1975/76 city assessed valuation is shown in Table 4.

TABLE 4
1975/76 CITY ASSESSED
VALUATION*

| | |
|--------------------|---------------|
| Secured property | \$266,941,240 |
| Utility property | 10,331,620 |
| Unsecured property | 52,075,880 |
| Total | \$329,348,740 |

* Before homeowners' and business inventory exemptions, the taxes on which are paid to the city by the State of California.

The city has levied a tax rate for general purposes of 33¢ per \$100 of assessed valuation since 1972/73. In 1974/75 and 1975/76 the city levied a 29¢ tax (in addition to the 33¢) to meet debt service on the Series A Bonds. The city will levy for the Series B debt service beginning in 1976/77. The city may levy a tax up to \$1 per \$100 of assessed valuation for general purposes, but the rate for general obligation debt service is unlimited.

Table 6 shows city revenues and expenditures based on reports by the city to the State Controller. As can be seen, sales taxes represent the greatest single source of revenue to the city. Table 7 shows a statement of the city's direct and estimated overlapping general obligation bonded debt as of January 13, 1976.

The city's share of authorized and unsold bonds of overlapping jurisdictions is as follows: Metropolitan Water District of Southern California, \$3,036,800; Irvine Ranch Water District, Improvement District No. 2, \$19,109,993; Irvine Ranch Water District, Improvement District No. 3, \$7,424,124; Irvine Unified School District, \$31,003,756; Saddleback Valley Unified School District, \$46,255. State school building aid repayable as of June 30, 1975 was \$10,819,089.

On November 4, 1975 voters of the Irvine Ranch Water District approved \$9,475,000 of bonds for water facilities in Improvement District 103 and \$69,665,000 of bonds for water facilities in Improvement District 206. The areas included in these two improvement districts are basically undeveloped and the bonds will be used to finance facilities to serve development only as it occurs. The district estimates that full development will not occur prior to 1985. These improvement districts partially overlap the City of Irvine, but the assessed valuations within and without the city have not yet been determined.

REPRESENTATIVE 1975/76
TOTAL TAX RATE

| | |
|-----------------------------|-----------|
| City of Irvine* | \$ 0.6200 |
| Orange County | 1.6300 |
| School districts | 7.2670 |
| Irvine Ranch Water District | 1.2974 |
| Other special districts | 1.3499 |
| Total | \$12.1643 |

* Distribution as follows: 33¢ for general purposes; 29¢ for Recreational Development Bonds, Series A.

TABLE 5
CITY ASSESSED VALUATIONS, TAX RATES, LEVIES,
AND DELINQUENCIES

| | 1972/73 | 1973/74 | 1974/75 |
|---------------------|---------------|---------------|---------------|
| Assessed valuation | \$131,787,951 | \$194,823,900 | \$250,726,490 |
| City tax rate | 33¢ | 33¢ | 33¢ |
| Secured tax levy | \$ 434,616 | \$ 505,928 | \$ 1,209,378 |
| Delinquency June 30 | \$ 1,972 | \$ 9,468 | \$ 21,608 |
| Percent delinquent | 0.45% | 1.87% | 1.79% |

Source: City Treasurer and Finance Officer.

TABLE 6
SUMMARY OF CITY REVENUES AND EXPENDITURES*

| | 1971/72† | 1972/73 | 1973/74 | 1974/75 |
|--|-----------|-------------|-------------|-------------|
| REVENUES | | | | |
| Property taxes | \$ — | \$ 488,907 | \$ 564,048 | \$ 723,105 |
| Sales taxes | 151,144 | 855,562 | 1,214,896 | 1,535,218 |
| Franchise, business and other taxes | 10,320 | 426,564 | 249,547 | 329,867 |
| Licenses and permits | — | 100 | 137,213 | 59,427 |
| Fines and penalties | 17,845 | 57,894 | 78,170 | 124,961 |
| Revenue from use of money and property | 2,673 | 35,569 | 191,576 | 164,269 |
| Motor vehicle in lieu taxes | 139,267 | 160,228 | 235,397 | 232,946 |
| Gasoline taxes | 103,605 | 194,316 | 223,779 | 248,284 |
| Other revenue from other agencies | 27,766 | 180,227 | 602,640 | 838,655 |
| Charges for services | 7 | 37,461 | 70,347 | 76,108 |
| Miscellaneous | — | 348 | 32,973 | 69,495 |
| Total | \$452,627 | \$2,437,176 | \$3,600,586 | \$4,402,335 |
| EXPENDITURES | | | | |
| General government | \$159,814 | \$ 533,309 | \$ 774,069 | \$1,038,497 |
| Public safety | — | 383,833 | 766,718 | 1,337,848 |
| Public works | 134 | 218,001 | 1,020,163 | 1,559,655 |
| Parks and recreation | 4,075 | 153,923 | 412,237 | 674,986 |
| Miscellaneous | — | — | 72,878 | 87,420 |
| Total | \$164,023 | \$1,289,066 | \$3,046,065 | \$4,698,406 |

* From City reports to State Controller.

† City incorporated December 28, 1971.

TABLE 7
STATEMENT OF DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT*

| | |
|----------------------------|------------------|
| Estimated 1975 population | 35,000 |
| 1975/76 assessed valuation | \$329,348,740 |
| Estimated market value | \$1,245,000,000† |

| <i>Entity</i> | <i>Percent Applicable</i> | <i>Date Applicable January 13, 1976</i> |
|---|-------------------------------|---|
| Orange County | 4.652% | \$ 194,454‡ |
| Orange County Building Authorities | 4.652 | 1,209,055 |
| Orange County Flood Control District | 4.652 | 1,069,727 |
| Metropolitan Water District | 0.832 | 4,576,508 |
| Orange County Sanitation District No. 7 (Various Issues) | 16.442-25.822 | 1,169,830 |
| Santa Ana Junior College District | 17.748 | 77,381 |
| Saddleback Junior College District | 15.086 | 1,016,796 |
| Irvine Unified School District | 89.384 | 13,032,187 |
| Tustin Unified School District | 7.959 | 518,529 |
| Santa Ana Unified School District | 17.748 | 7,508,646 |
| Saddleback Valley Unified School District | 0.550 | 106,535 |
| Newport-Mesa Unified School District and Laguna Beach Unified | 0.001- 0.007 | 349 |
| San Joaquin School District | 28.672-35.046 | 4,234,985 |
| Tustin Union High School District (Various Issues) | 21.230-25.028 | 2,006,386 |
| Irvine Ranch Water District | 74.674 | 5,936,583 |
| Irvine Ranch Water District, Improvement Districts Nos. 1, 2, 3 | 51.060-97.617 | 13,631,857 |
| City of Irvine | 100.000 | 18,000,000§ |
| Total Direct and Overlapping Bonded Debt | | \$74,289,808 |

| | <i>Ratio to</i> | | <i>Per Capita</i> |
|--|-------------------------------|-----------------------------------|-----------------------|
| | <i>Assessed Valuation</i> | <i>Estimated Market Value</i> | |
| Assessed valuation | — | — | \$9,410 |
| Direct debt | 5.47% | 1.45% | 514 |
| Total direct and overlapping bonded debt | 22.56 | 5.97 | 2,123 |

* Compiled in cooperation with California Municipal Statistics, Inc.

† The State Board of Equalization reports that 1975/76 Orange County assessed valuations average 26.5% of market value. Public utility property is assessed by the State Board of Equalization at 25% of market value.

‡ Does not include city share (\$68,186) of \$1,465,738 Orange County lease-purchase obligations.

§ Including \$9,000,000 to be sold January 13, 1976.



IRVINE AND ITS ECONOMY

The City of Irvine is located in Orange County, approximately 40 miles from the City of Los Angeles. It is adjacent to the cities of Tustin, Santa Ana and Newport Beach. Irvine has a population of 35,000 and is the largest of six municipal jurisdictions of the Irvine Company property—79,000 acres of land straddling the center of Orange County which occupy 16% of the county's 782 square miles. The city was incorporated in 1971 in line with a concept of master planning and is being developed as a model city exemplifying the most positive aspects of development.

The Irvine Ranch is 123 square miles of land uniquely and strategically located in Orange County. It is the largest and most diversified privately owned, master planned community currently underway in the United States. Los Angeles is 40 miles to the north; San Diego is 80 miles to the south; and the cities of Riverside and San Bernardino are 40 miles to the east. This location puts the Irvine community at the center of southern California's five major metropolitan areas, where over one-half of the state's people reside. The City of Irvine's strategic location in Orange County places it in the center of the stream of population growth advancing from the metropolitan areas.

Orange County is one of the most rapidly developing metropolitan areas in the United States. Population in the county grew at a very rapid rate beginning about 1960 and while the rapidity of this growth has tapered off during the past few years, the population more than doubled during the decade of the 1960's. The county's temperate climate, available land, geographical attractions, and the scope of its educational and recreational facilities are major factors in its popularity as a place to live and work.

Industry and Employment

The county's economic base was largely agricultural until the late 1950's when it began to evolve into technical and defense oriented specialization. It has steadily expanded into civilian oriented industries and now ranks second only to Los Angeles County in total manufacturing employment in California. The county's steady growth in population has been a major factor in its transformation from an undeveloped agricultural area to the fastest growing portion of the southern California megalopolis. The freeways and railroad lines which connect the cities of San Diego and Los Angeles cross the Irvine property and the expansion of the southern California population and economy along these transportation routes is reflected in the growth of Irvine.

During initial phases of development the Irvine community's primary identity was provided by the University of California at Irvine. Now, however, the university's role is supplemented by many major regional commercial, industrial, and financial firms. Because a concentrated focus of development did not evolve in northern Orange County, Irvine holds the potential of becoming the dominant urban center in the county. Industrial development in the county is concentrated along the Santa Ana and San Diego Freeways at the northern edge of the Irvine property. The Irvine Industrial Complex is one of the largest and fastest growing industrial complexes in the nation. It is bounded by three major freeways and is served by two railroads. Orange County Airport is located in the center of the complex. Development in the Irvine Industrial Complex is being coordinated with similar uses adjacent to it in Newport Beach, Costa Mesa, Tustin, and Santa Ana. Southeast of Irvine are several other large scale new community projects, including Mission Viejo and Laguna Niguel.

TABLE 8
MAJOR EMPLOYERS IN CITY OF IRVINE

| <i>Name of Company</i> | <i>Type of Business</i> | <i>Approximate Number of Employees</i> |
|---|--|--|
| Bertea Corp.* | Hydraulic units for planes | 1,100 |
| Parker Hannifin Aerospace Group | Fluid system components | 1,050 |
| Varian Data Machines | Computers | 850 |
| Xerox Corp. | Reconditioning center for copiers | 541 |
| Allergan Pharmaceutical Inc.* | Pharmaceutical products | 500 |
| Microdata* | Mini-computers | 435 |
| Bentley Laboratories, Inc.* | Open heart surgery machines | 400 |
| Computer Automation* | Mini-computers | 380 |
| V. T. N. Corp.* | Architects, planners and civil engineers | 360 |
| Airco Cyrogenics | Cyrogenics equipment | 335 |
| Kaiser Aerospace & Electronics Corp. | Precision machine parts and electromechanical assemblies | 330 |
| Pertec Business Systems | Magnetic tapes for computers and peripheral systems | 330 |
| Control Components | Control valves | 300 |
| Convertors | Surgical drapes and gowns | 300 |
| Shiley Laboratories* | Surgical equipment | 290 |
| American Hospital Supply Division* | Hospital supply products | 267 |
| Airporter Inn Hotel | Hotel | 250 |
| Datatron Inc.* | Electronic equipment | 250 |
| Diceon Electronics, Inc. | Electric printed circuits | 250 |
| Alex Robertson Co.* | Commercial contractors | 250 |
| Idamatics | Bed spreads and drapes and machines to make them | 250 |
| Audio Magnetics Corp. | Magnetic tapes | 235 |
| Kawasaki Motors Corp. | Motorcycles and jet skis | 220 |
| McGraw Laboratories | Pharmaceuticals | 210 |
| Far West Services, Inc. | Executive office, train restaurant personnel | 200 |
| Gulliver's | Restaurant | 200 |
| Barry L. Miller* | Ordnance components and metal stampings | 200 |
| S.P.I. | Electric products equipment | 185 |
| Coleman Systems* | Cameras and control machine tools | 181 |
| R. B. Furniture Co.* | Furniture | 175 |
| International Chemical & Nuclear Corp.* | Chemical research | 160 |
| Dana Laboratories, Inc. | Electronic test equipment | 150 |
| European Parts Exchange* | Automotive parts rebuilder | 150 |
| St. John Knits* | Clothing | 150 |
| Domino Industries, Inc.* | Furniture | 140 |
| Coast Catamaran* | Sailboats | 130 |
| Plan Hold Corp. | Drafting tables, storage cabinets and filing equipment | 125 |
| T.D.K. California, Inc. | Recording cassettes and tapes | 120 |
| Tektronix | Electric products | 120 |
| Uni-Loc | Electric instruments to measure water | 120 |
| Cramer Electronics | Electronic components for TV and radio | 105 |
| Symbolic Displays* | Electronic products | 100 |
| K. M. S. Technology Center | Research and development of laser beams and water purification systems | 100 |
| Lambert-Kay | Pet pharmaceuticals | 100 |

* Headquarters.

Construction began in August 1974 on a 1.2 million square-foot complex which will be the divisional headquarters of Fluor Engineers and Constructors, Inc. The facility is located on a 105-acre site in the Irvine Industrial Park. Occupancy is planned for late 1976 and employment will initially be 5,500 persons, making Fluor the largest single employer in the city. The ultimate employment at the plant will be 8,500.

A list of major employers in the City of Irvine is shown in Table 8.

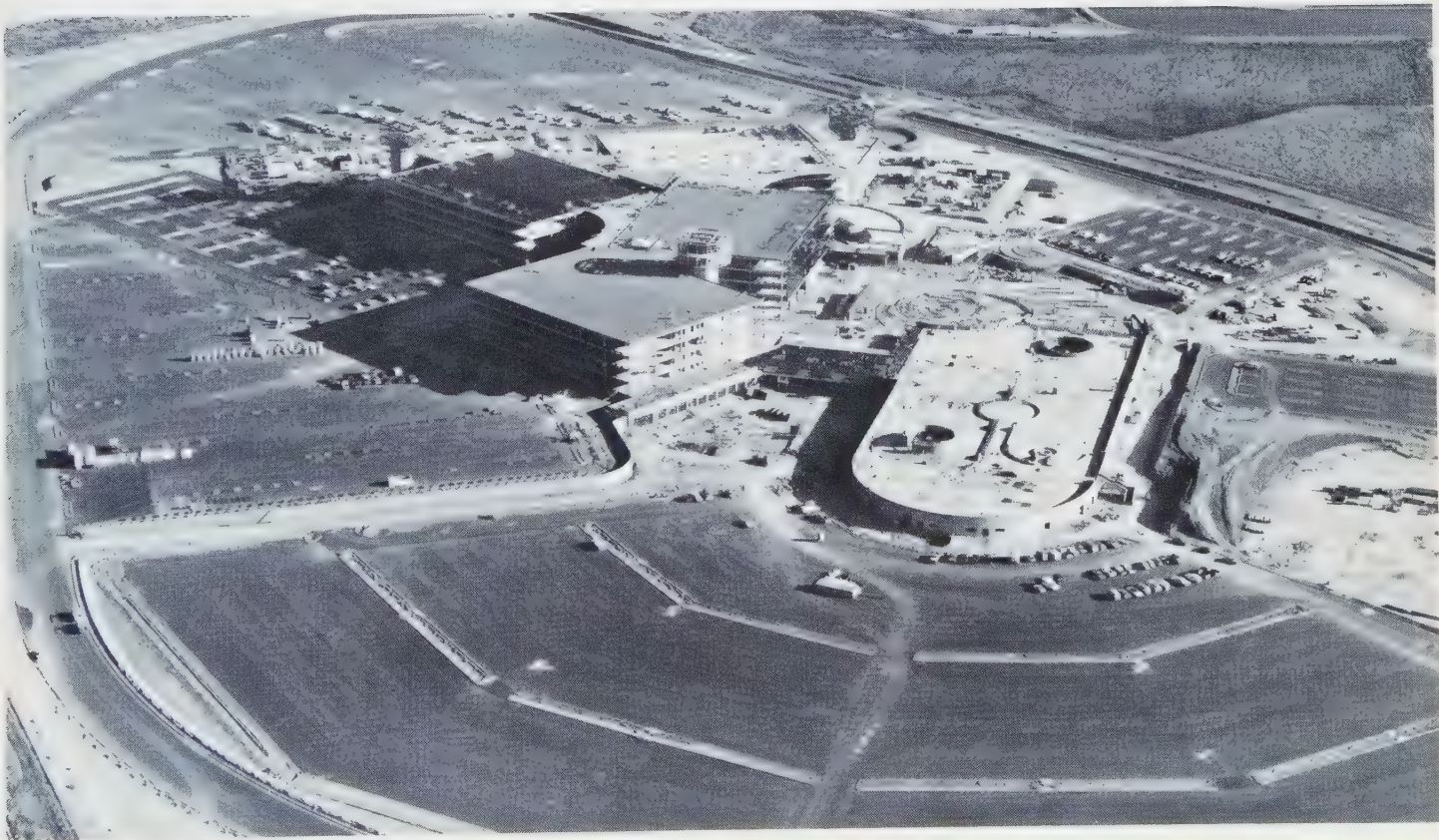
All of Orange County is considered a single labor market area for employment because of integration by the highly developed freeway network. An employment breakdown in the county for the past ten years is shown in Table 10.

Transportation

The City of Irvine enjoys convenient access to the excellent freeway network in Orange County and to the county's local highway system. The Santa Ana and San Diego Freeways are the major north-south routes through the county and the Newport, Garden Grove, and Riverside freeways provide east-west transportation.

The Atchison, Topeka and Santa Fe, Union Pacific, and Southern Pacific railroad systems serve the county and Amtrak service is available.

Orange County Airport, in the center of the Irvine Industrial Complex, is located at the intersection of major freeway interchanges. Scheduled airlines which provide regular service include Air California, Hughes Air West and other local feeder airlines. Another commercial-general aviation airport is located at Fullerton. Los Angeles International Airport is 40 miles away.



In late 1976 construction will be completed on the 1.2 million square foot divisional headquarters for Fluor Engineers and Constructors, Inc. The facility will initially employ 5,500 persons in the City of Irvine.



Top: Aerial view of agricultural groves looking east. Approximately two-thirds of city's 41.6 square miles is now in agriculture.

Left: University Park neighborhood shopping center provides an example of bicycle orientation of Irvine residents.

Above: Recreational facility at Park Site apartment complex. Developers are required to designate 4.5 acres of local park land per 1,000 people.

Utilities

Gas service is supplied to the City of Irvine by Southern California Gas Service; electricity is supplied by Southern California Edison; water is provided by the Irvine Ranch Water District; and Pacific Telephone provides telephone service.

Taxable Sales and Sales Tax Permits

Table 9 shows taxable sales and the number of sales tax permits authorized for the City of Irvine for the years 1972, 1973 and 1974, and for Orange County for the past decade. As can be seen from the table, taxable sales in the city rose by about 25 percent from 1973 to 1974 and have more than doubled since 1972. Sales tax revenues to the city for the first half of 1975 were up more than 15% over the comparable 1974 period.

Educational Facilities

Public elementary and secondary educational services to the residents of the City of Irvine are furnished by

TABLE 9
TAXABLE SALES AND SALES TAX PERMITS

| <i>Year</i> | <i>Taxable Retail Sales</i> | <i>Number of Sales Tax Permits</i> |
|-----------------------|-----------------------------|------------------------------------|
| City of Irvine | | |
| 1972 | \$ 65,739,000 | 411 |
| 1973 | 105,925,000 | 520 |
| 1974 | 132,662,000 | 674 |
| Orange County | | |
| 1963 | \$1,367,460,000 | 15,459 |
| 1964 | 1,566,955,000 | 16,944 |
| 1965 | 1,668,286,000 | 18,443 |
| 1966 | 1,829,456,000 | 20,117 |
| 1967 | 2,006,977,000 | 21,282 |
| 1968 | 2,391,968,000 | 22,928 |
| 1969 | 2,732,289,000 | 24,926 |
| 1970 | 2,876,776,000 | 27,415 |
| 1971 | 3,263,344,000 | 29,336 |
| 1972 | 3,931,107,000 | 31,349 |
| 1973 | 4,701,633,000 | 33,308 |
| 1974 | 5,210,519,000 | 36,485 |

Source: California State Board of Equalization.

TABLE 10
ORANGE COUNTY LABOR MARKET SURVEY*

| <i>Industry</i> | <i>May, 1964</i> | <i>May, 1969</i> | <i>May, 1974</i> | <i>May, 1975</i> |
|---|------------------|------------------|------------------|------------------|
| Manufacturing | 91,800 | 130,000 | 151,700 | 148,900 |
| Wholesale and retail trade | 57,300 | 92,300 | 129,900 | 141,300 |
| Services | 41,200 | 66,100 | 101,200 | 110,600 |
| Government | 39,100 | 63,100 | 84,000 | 93,900 |
| Construction | 24,000 | 22,700 | 32,100 | 23,000 |
| Finance, insurance and real estate | 11,500 | 18,200 | 28,800 | 30,900 |
| Transportation, communications, utilities | 9,000 | 13,200 | 17,800 | 17,500 |
| Agriculture | 7,100 | 5,800 | 10,900 | 10,800 |
| Total | 281,000 | 411,400 | 556,400 | 576,900 |

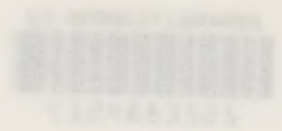
* State of California Employment Development Department, Employment Data and Research.

the Irvine Unified School District. There are several institutions of higher education in Orange County which are accessible to Irvine residents, and the University of California at Irvine offers undergraduate and graduate instruction; post-doctorate programs; teacher education; instruction in professional fields; and execution of basic and applied research. The

number of students enrolled has grown from 1,600 in 1965 when the University began operations, to a current enrollment of approximately 8,600. The faculty has increased from 118 to 520. The University has a 625,000-volume library, and living accommodations on campus consist of 350 apartment units and dormitory housing for 1,550 students. The campus was master planned by William L. Pereira & Associates and is located on a 1,510-acre site.

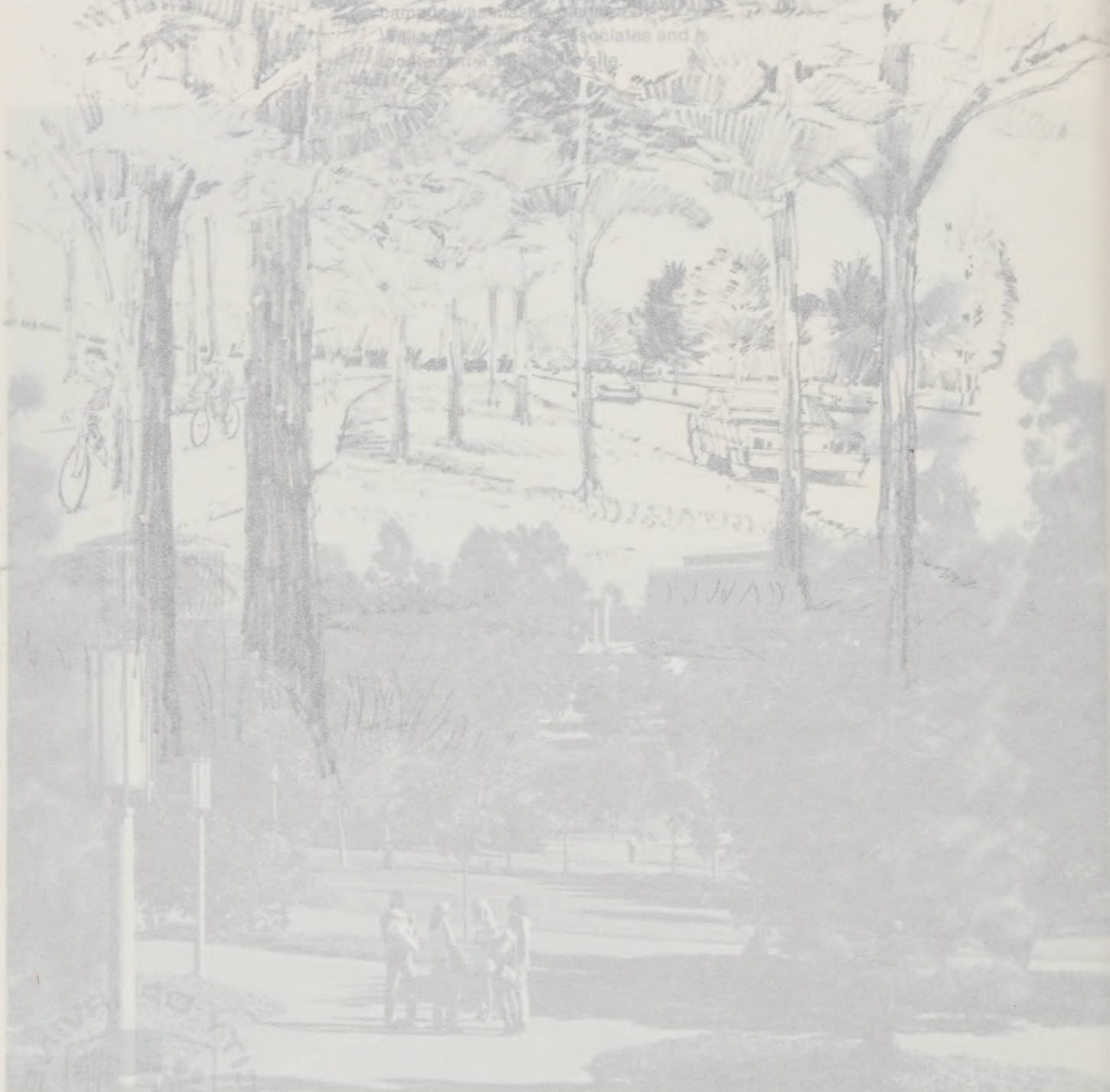


University of California Irvine. View of Library with Administration Building on left.



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University of California Irvine. View of Library with Administration Building on left.

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